

STATEMENT

by

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Before the

**COMMITTEE ON VETERANS AFFAIRS
United States House of Representatives**

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Mr. Chairman, Honorable Members of the Veterans Affairs Committee, it is my pleasure to come before you today to speak on the vitally important issue of homelessness among veterans, and the ambitious objective of ending chronic homelessness by the year 2011. Homeless veterans are clients our organization has dealt with since its founding in 1972, and because I have the perspective of those 31 years of service with the American GI Forum NVOP, I can appreciate the focus and coordination for services to the homeless veterans promoted by Public Law 107-95.

Let me take a moment to explain the background of the American GI Forum National Veterans Outreach Program, so that my remarks can be held in context of the experience we hold. The American GI Forum “NVOP” as we call it, takes great pride in providing a very comprehensive system of service in its home city of San Antonio, and I believe that this wholistic approach has been very effective in dealing with the myriad of problems inherent to the homeless veterans. This comprehensive system has been built piece by piece over the years, and each year it is a new challenge to keep this collection of services together.

The American GI Forum acquired a building in 1995 with partial funding from the VA’s Grant and Per Diem program, to establish what we believe is the first Veterans Service Center under that program in the country. The Veterans Service Center quickly became a hub of activity for veteran’s services, and today it houses the DOL funded Veterans Workforce Investment Act program, the Homeless Veterans Reintegration Program, and a HUD funded Veterans Integration Program, for job placement services. The Center also offers in-house services for Basic Skills Upgrade, a Clothing Closet, a Food Bank, aptitude and interests Assessment, resume

writing, internet job sites access center, a full-time Disabled Veterans Outreach Program representative fully connected on-line with the Texas Workforce Commission's statewide job bank, and visiting representatives from the local Vet Center and the VA's Health Care for Homeless Veterans office.

Additionally, the American GI Forum NVOP provides transitional housing for homeless veterans in three single-family homes it has converted for this use. This transitional housing is prioritized for clients enrolled in the job-training programs. Originally leased from the VA, all three homes were eventually purchased by the organization at the VA's discounted price. The latest undertaking by the organization is acquisition and rehabilitation of a downtown San Antonio building that will provide 80 transitional beds and 30 single room occupancy apartments primarily for homeless veterans. The \$2 million dollar venture is partially funded by a Grant and Per Diem award, partially by a HUD SHP grant, and a third from American GI Forum NVOP investment. The project is expected to be ready for occupancy by October, 2004, at which time the single-family homes now used for transitional quarters will be converted for use by homeless families.

Finally, the American GI Forum NVOP was very creative in enhancing the continuum of care by adding an economic development package. In 1997, the organization founded two income-generating and job-creating companies: the Veterans Enterprises of Texas which is a box manufacturing plant, and the American GI Forum Weatherization Company which is a specialty company that makes houses or apartments occupied by low-income individuals more energy efficient by adding insulation, replacing doors or windows, and some appliances that are energy saving models. The two companies serve two primary objectives: to generate income that the organization uses to fill "gaps" in the continuum, and secondly, to create job opportunities for homeless and disabled veterans. The two companies created approximately thirty new permanent jobs, and during peak loads additional temporary jobs are created, which are perfect for getting some of the homeless veterans into a case managed job environment while continuing recovery into the mainstream.

Although a forerunner to Public Law 107-95, I believe the NVOP is a community-based model that illustrates the coordination between VA, HUD, and DOL programs that the legislation promotes. This comprehensive continuum of care has proven very effective in serving over 600 homeless veterans annually, and we expect that number to increase significantly with the addition of the new Residential Center. The fact that Public Law 107-95 acknowledged the integral service provided by community-based organizations, and wisely included support for technical assistance to expand the rolls of community-based groups, is a factor that will generate much positive return in helping address the homeless veterans problem. I commend the U.S. Department of Labor for introducing a new category of HVRP funding for “intermediary” agencies, which must be experienced entities in serving homeless veterans, that can apply for funding to subsequently granting a significant portion of the funds to a new trainee agency that they can mentor. Expanding the rolls of agencies serving veterans is applauded, however, it does reduce the amount of money that is available for existing providers since the new category comes from the same level of funding for HVRP. I would suggest that this new idea is very worthy, and it needs to be supported by this committee by adding funds specifically for this to the HVRP, so as not to hamper the existing level of critical service.

Public Law 107-95 has also facilitated the relationships between the community-based groups and the Departments of VA, HUD, and DOL. In the past, the relationships were sometimes distant because the general sense was that the community groups were always out for money, while the opposing view was that government funding sources had to be pressured to listen to the community views. Now, with Public Law 107-95 as a common denominator, both sides are more open to the idea of working together to best serve the objectives.

Public Law 107-95 also set in place most of the elements that I believe are necessary and adequate for addressing the problem of the Homeless veterans with one exception, permanent housing. Those organizations that work on a day-to-day basis with homeless veterans realize that some of the more acute cases will probably always be on the fringe of recidivism. A permanent housing option like the HUD funded Single Room Occupancy (SRO) apartments provide a critical next step in the recovery for some, that need to stay connected to a community of peers. Eventually, and on their own, they will make the transition to other permanent housing

of their own. Although I cite the HUD SHP funds as an example, I do have a suggestion for this grant category. One of the difficult barriers to the use of these funds by many smaller agencies is that HUD requires a \$1 for \$1 match from non-federal dollars for new construction or rehabilitation construction. This is a very difficult challenge for many community agencies that cannot generate that type of match from non-federal sources. I would suggest re-consideration by HUD to allow other government funds as a match or at the very least to reduce the match requirement portion, and I would encourage this committee to consider increasing the grant and per diem program to allow for permanent housing also. In fact the Grant and Per Diem is one of the most critical programs for treating the homeless veterans, and strong consideration must be given to increasing the funding for this project to allow for more critical housing projects in communities currently not participating.

As an organization that has prospered better than some others, I would like to stress that it is still a challenge for us to survive every year. A criticism that is not necessarily aimed solely at Public Law 107-95, is that sometimes the grants that are supposed to help the organizations deliver the services, are so poorly timed that the service organizations wind up experiencing gaps in their operations. Like any other business, non-profits must first survive as a business, before they can help anyone. Therefore, I would encourage lawmakers to be sensitive to the fact that compatible timelines for grants are very important at our end of the spectrum. When grant cycles are changed, usually without forewarning, the organizations suffer considerable damage, and the gap in services is very disruptive to the homeless clients that may be in process. For some smaller entities, a gap in funding means that their program doors will literally close.

Another related issue is the minimal consideration made for successful grant service providers at the grassroots level. Successful programs should be placed on some special review process to confirm their performance, and be allowed to qualify for renewal of their grant without having to disrupt the services to clients. Every time a program is coming up for grant renewal, service operations have to be scaled down to the point of almost coming to a complete stop. This is counter-productive when the agencies are faced with very challenging timeline of ending chronic homelessness by 2011. I commend DOL for amending their HVRP solicitation to allow for a three-year contract, provisional, of course, on the service provider's successful performance. I

would suggest to this Committee, that future authorizations of the grant programs under Public Law 107-95 be made through the target year of 2011, assuring everyone that the coordination of all grants necessary for this effort is in place.

In closing I would like to reiterate that the model our organization has used for serving both veterans and homeless veterans is a comprehensive system that can best be described as a “one-stop” center for veterans. I would encourage others to follow this model, and ask this committee to consider apportioning WIA funds for Veterans One-Stop Centers. There is good reason for this suggestion; Veterans have a different perspective and expectations when entering a place for services. They see “entitlements” while civilian employees see them as social services. Also, the work of providing veterans with solutions to their problems, means the Case Managers must understand two worlds: the world of veterans benefits and entitlements, and the civilian world that has many other vital services that can be accessed for the veteran. And, thirdly, because veterans always work react best to peers. I believe that our model in San Antonio, and other similar models at the community-based level using fellow veterans in Case Management positions, have demonstrated that peer service is an integral element in successful service to homeless veterans. The service that community based organizations are providing will be a major factor in helping us reach the goal of ending chronic homelessness by 2011.

I thank you for this wonderful personal opportunity to present my views to this committee, and I sincerely thank all of you for your dedicated service to our veterans.

(Curriculum Vitae on the following page)

Curriculum Vitae

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Mr. Martinez does not serve in any governmental capacity, and it should be recorded that the American GI Forum National Veterans Outreach Program, Inc., a duly chartered non-profit corporation, received federal funding from the Homeless Veterans Reintegration Program in the amount of \$250,000 for the performance year ending June 30, 2004; \$593,000 for operation of the Veterans Workforce Investment Program through the State of Texas; \$619,000 from the VA's Grant and Per Diem Program awarded October, 2003; and \$1,198,052 in HUD grants for acquisition, rehabilitation and operation of transitional and permanent housing for homeless individuals in San Antonio. The previous year the organization received the same amount of funding for the Homeless Veterans Reintegration Program and the Veterans Workforce Investment Program.